

Message Text

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PAGE 01 QUITO 02272 070359Z
ACTION ARA-10

INFO OCT-01 ISO-00 PM-04 NSC-05 SP-02 SS-15 EB-08 L-03
COME-00 CIAE-00 INR-07 NSAE-00 INRE-00 SSO-00
NSCE-00 TRSE-00 FEA-01 /056 W
-----070403Z 094791 /14
O R 070327Z APR 77
FM AMEMBASSY QUITO
TO SECSTATE WASHDC IMMEDIATE 3824
INFO AMCONSUL GUAYAQUIL

C O N F I D E N T I A L QUITO 2272

E.O. 11652: GDS
TAGS: EINV, ENRG, PFOR, EC
SUBJECT: THE GULF NEGOTIATIONS

REF: QUITO 2221

1. ADMIRAL POVEDA CALLED ME THIS EVENING AS HE HAD PROMISED.
HE SAID THAT HE HAD DISCUSSED THE GULF PROBLEM WITH GENERAL
DURAN TODAY AND THAT ON MONDAY MORNING DURAN WOULD TAKE
PERSONAL CHARGE OF THE MATTER AND PUSH THROUGH THE
AGREEMENT. (THE DELAY UNTIL MONDAY IS, AS I NOTED IN REFTEL,
DUE TO THE FOUR-DAY HOLIDAY WEEKEND.)

2. SHORTLY AFTER THE CALL FROM POVEDA I HAD A PRE-ARRANGED
MEETING WITH THE MINISTER OF FINANCE. I IMPRESSED UPON HIM THE
URGENCY OF SIGNING THE GULF AGREEMENT BEFORE THE END OF NEXT
WEEK IN VIEW OF THE FAST-DWINDLING PATIENCE OF THE GULF
EXECUTIVES AND THE POSSIBILITY THAT THEY MIGHT BLOW US ALL
OUT OF THE WATER BY PUBLIC DENUNCIATION OF THE GOE AT THE
APRIL 17 STOCKHOLDER'S MEETING. I RELATED MY CONVERSATIONS
WITH ADMIRAL POVEDA. HE SAID THAT HE WAS READY TO SIGN
THE AGREEMENT AS SOON AS THE SUPREME COUNCIL COULD OVERRIDE
SEMBLANTES. HE WOULD NEED, HOWEVER, THE LETTER FROM ME
REGARDING THE PROBLEM OF TAX AND ROYALTY PAYMENTS WHICH
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HE HAD DISCUSSED WITH THE CHARGE D' AFFAIRES IN MY ABSENCE.
I TOLD HIM THAT I WAS AUTHORIZED TO GIVE HIM SUCH A LETTER
AND WE AGREED THAT EARLY NEXT WEEK WE WOULD GET TOGETHER
TO DO THIS. HE SAID THAT HE WOULD KEEP THE PRESSURE ON
POVEDA AND DURAN NEXT WEEK IN ORDER TO PUSH THE AGREEMENT
THROUGH. HE IS FULLY COGNIZANT OF THE DRASTIC FINANCIAL
IMPLICATIONS OF NOT SIGNING THE AGREEMENT, INCLUDING THE

CONTINUING SHORTFALL IN OIL EXPORTS, WHICH IS THE RESULT
OF THE DOUBTS IN THE MINDS OF BUYERS REGARDING LEGAL TITLE
TO CEPE OIL, AND THE DAMAGE TO ECUADOR'S INTERNATIONAL CREDIT.

3. PLEASE PASS THE FOREGOING ON TO GULF OFFICIALS IN
CORAL GABLES.
BLOOMFIELD

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NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: COMPENSATION, PETROLEUM INDUSTRY, NATIONALIZATION, NEGOTIATIONS
Control Number: n/a
Copy: SINGLE
Sent Date: 07-Apr-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977QUITO02272
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
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Executive Order: GS
Errors: N/A
Expiration:
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Format: TEL
From: QUITO
Handling Restrictions: n/a
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ISecure: 1
Legacy Key: link1977/newtext/t19770477/aaaacpjj.tel
Line Count: 69
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
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Office: ACTION ARA
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
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Previous Handling Restrictions: n/a
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Retention: 0
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Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2867485
Secure: OPEN
Status: NATIVE
Subject: THE GULF NEGOTIATIONS
TAGS: EINV, ENRG, PFOR, EC, US, GULF
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